

CUNA Oregon
**MEMBERSHIP BENEFITS
REPORT**

Oregon

The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, high savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Oregon credit unions provided \$201,757,878 in direct financial benefits to the state's 1,967,873 members during the twelve months ending December 2020.

These benefits are equivalent to \$103 per member or \$215 per member household ⁽¹⁾.

Estimated total benefits of credit union membership are calculated by accounting for differences in credit union and bank pricing. Specifically, average credit union savings account yields, loan interest rates and fees are compared to average bank savings account yields, loan interest rates and fees. The interest rate differences are then applied to respective average credit union loan and savings balances. Fee differences are weighted and applied to credit union non-interest income to obtain the total estimated benefits arising from fees.

The per-member and per-household benefits delivered by Oregon credit unions are substantial, but these benefits are *averages*. Mathematically, that means the total benefits provided are divided across all members (or all member households) - even those who conduct very little financial business with Oregon credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Oregon credit union will save members an average \$207 per year in interest expense compared to what they would pay at a banking institution in the state.

Further, loyal members - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

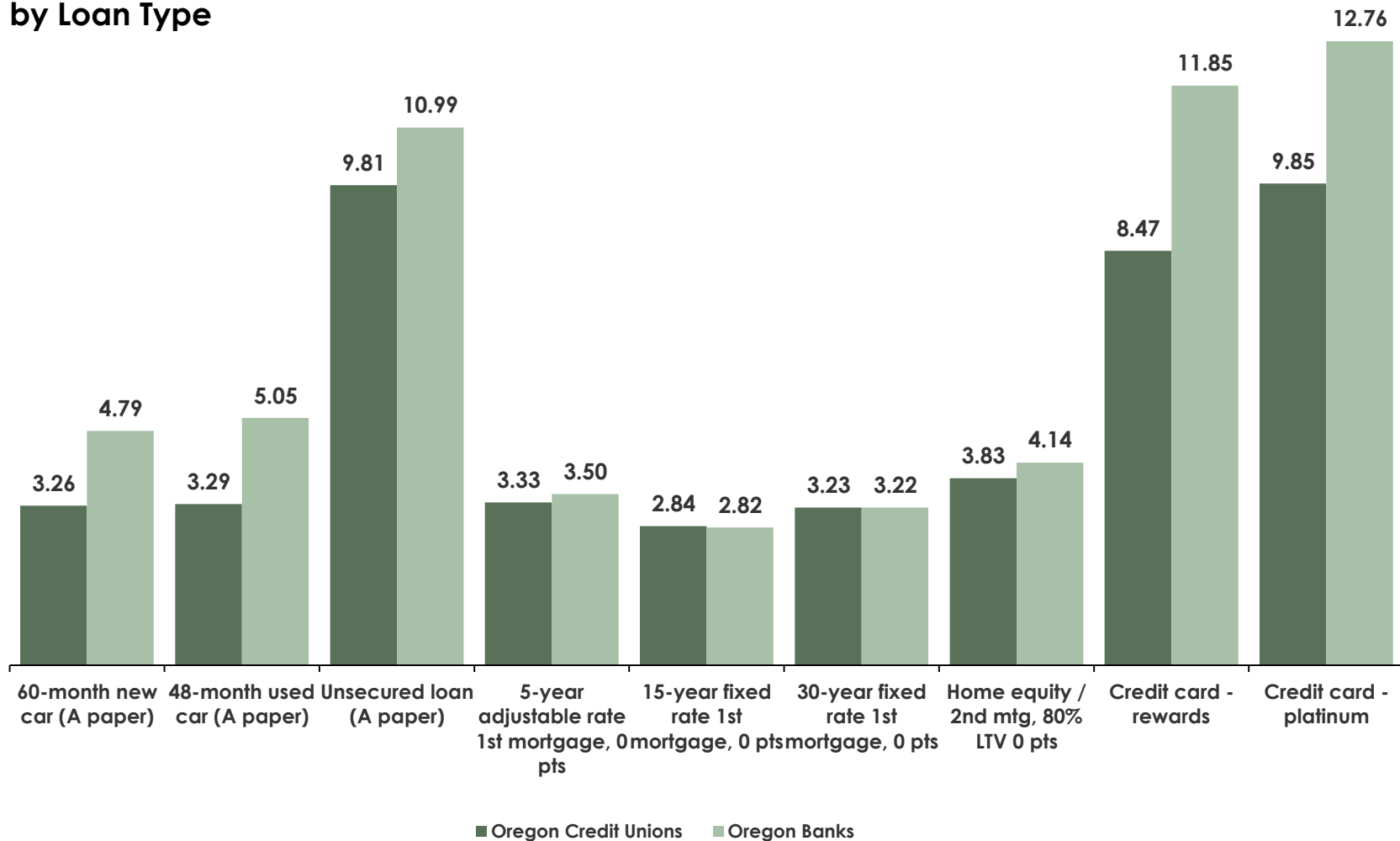
Oregon credit unions excel in providing member benefits on many loan and savings products. In particular, Oregon credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-adjustable rate, home equity loans, credit cards loans.

Oregon credit unions also pay members higher average dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



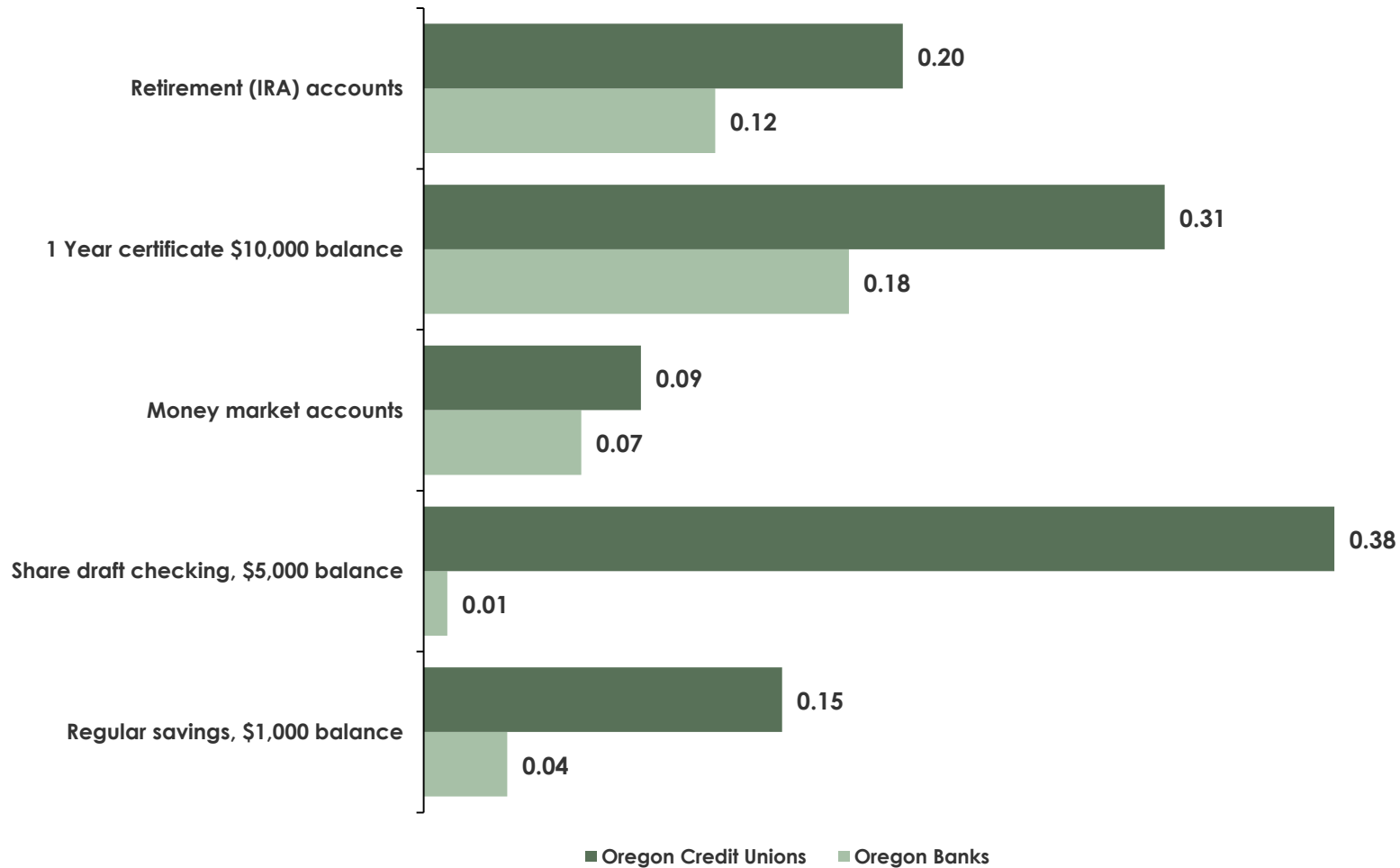
Loan Product Comparative Interest Rates (%)

by Loan Type



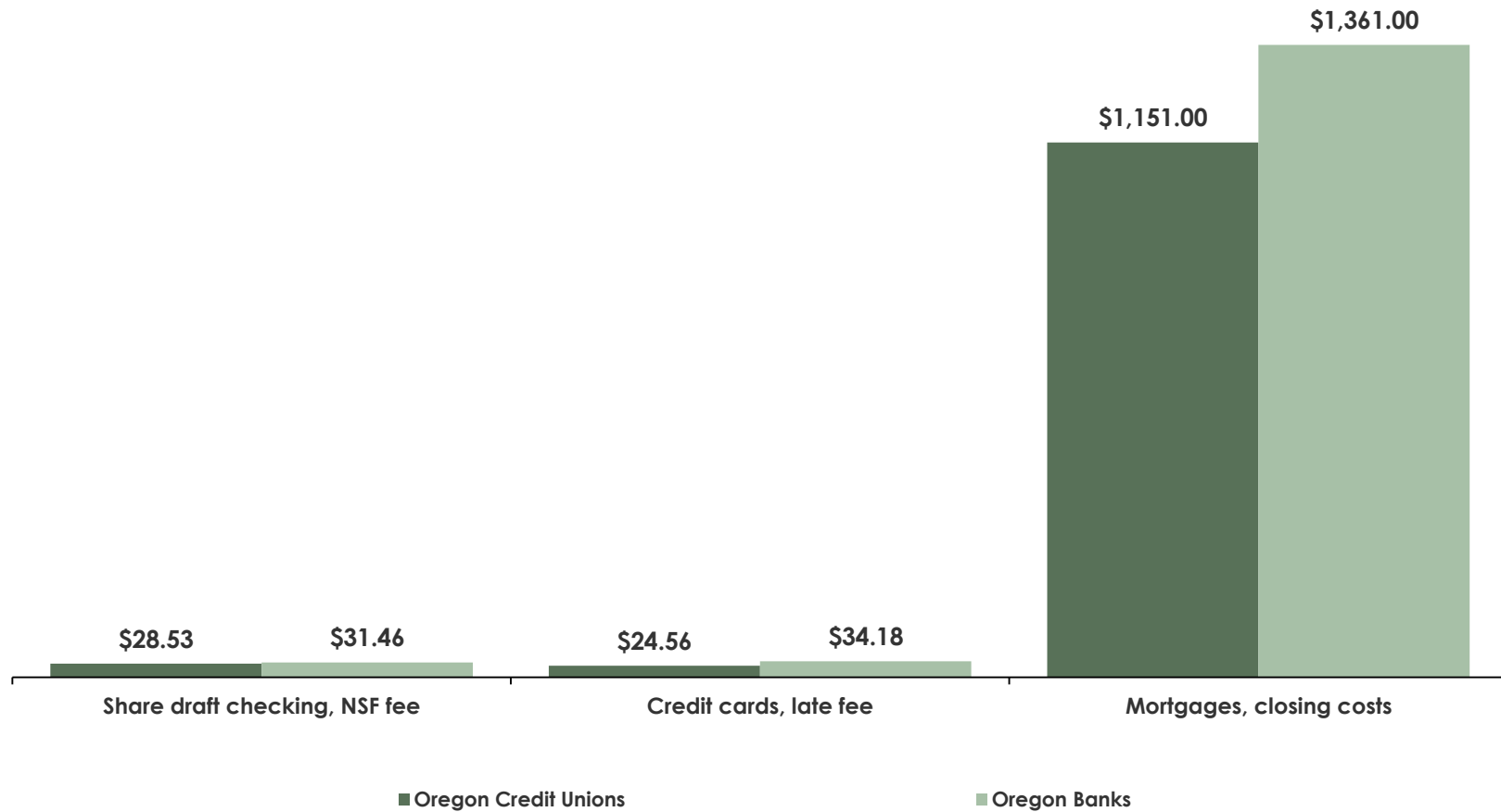
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



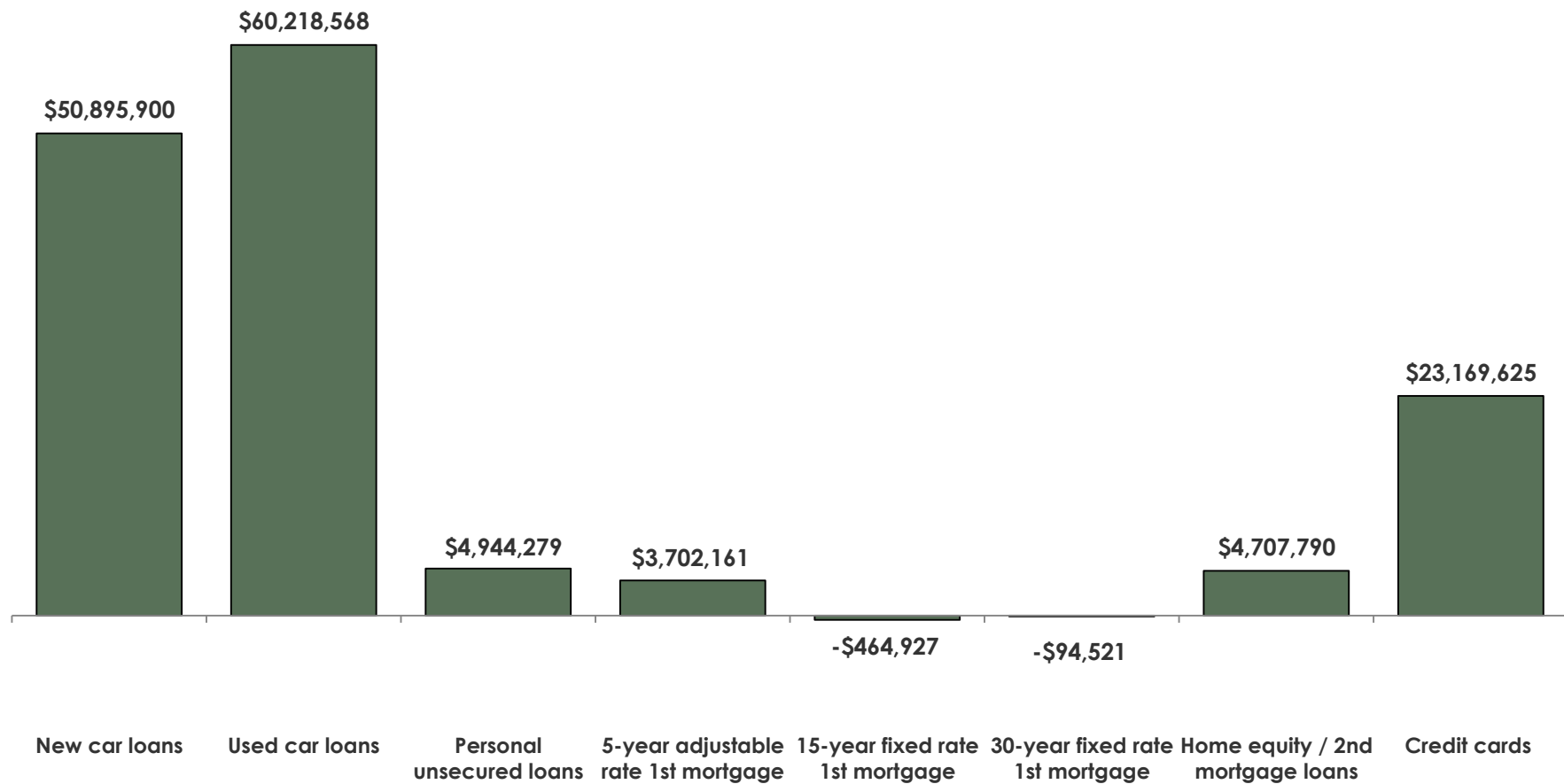
Oregon Credit Union and Banking Institution December 2020 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.26	4.79	-1.53
48-month used car (A paper)	3.29	5.05	-1.76
Unsecured loan (A paper)	9.81	10.99	-1.18
5-year adjustable rate 1st mortgage, 0 pts	3.33	3.50	-0.17
15-year fixed rate 1st mortgage, 0 pts	2.84	2.82	0.03
30-year fixed rate 1st mortgage, 0 pts	3.23	3.22	0.00
Home equity / 2nd mtg, 80% LTV 0 pts	3.83	4.14	-0.32
Credit card - rewards	8.47	11.85	-3.38
Credit card - platinum	9.85	12.76	-2.91
Savings Products			
Regular savings, \$1,000 balance	0.15	0.04	0.12
Share draft checking, \$5,000 balance	0.38	0.01	0.37
Money market accounts	0.09	0.07	0.03
1 Year certificate \$10,000 balance	0.31	0.18	0.13
Retirement (IRA) accounts	0.20	0.12	0.08
Fee Income			
Share draft checking, NSF fee	\$28.53	\$31.46	-\$2.92
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

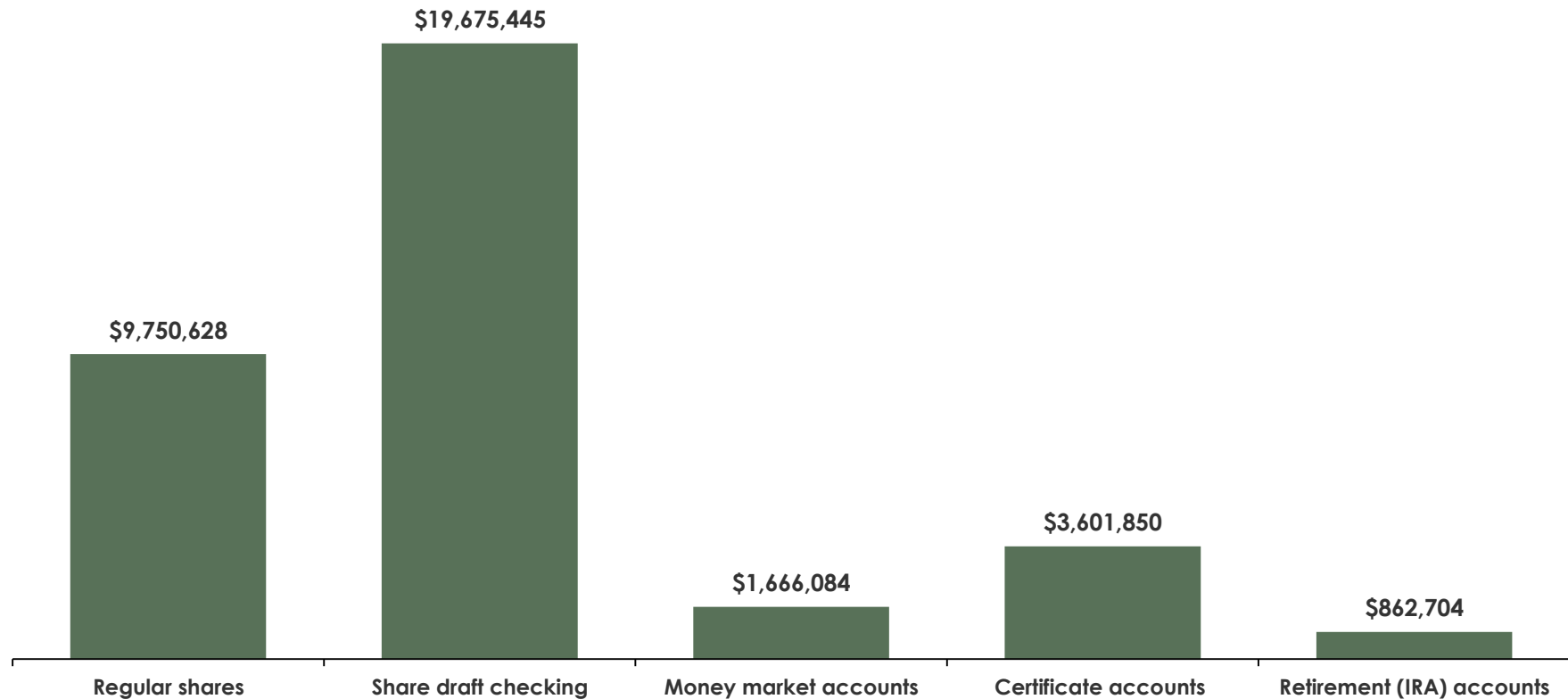
Estimated Credit Union Loan Benefits

Compared to State Banking Institutions
by Loan Type



Estimated Credit Union Savings Dividend Benefits

Compared to State Banking Institutions by Account Type



Estimated Financial Benefits for Oregon Credit Unions December 2020

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Oregon Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	3,330,883,476	-1.53	\$50,895,900
Used car loans	3,421,509,545	-1.76	\$60,218,568
Personal unsecured loans	419,006,680	-1.18	\$4,944,279
5-year adjustable rate 1st mortgage	2,203,667,023	-0.17	\$3,702,161
15-year fixed rate 1st mortgage	1,660,452,206	0.03	-\$464,927
30-year fixed rate 1st mortgage	3,150,697,283	0.00	-\$94,521
Home equity / 2nd mortgage loans	1,485,107,153	-0.32	\$4,707,790
Credit cards	710,506,741	-3.38	\$23,169,625
Interest rebates			\$12,742
Total CU member benefits arising from lower interest rates on loan products:			\$147,091,616
Savings			
Regular shares	8,478,806,596	0.12	\$9,750,628
Share draft checking	5,303,354,579	0.37	\$19,675,445
Money market accounts	6,664,334,613	0.03	\$1,666,084
Certificate accounts	2,728,674,194	0.13	\$3,601,850
Retirement (IRA) accounts	1,098,985,914	0.08	\$862,704
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$35,556,711
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$19,109,552
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$201,757,878
Total CU member benefit / member:			\$103
Total CU member benefit / member household:			\$215

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2020 and December 2019, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

Membership Benefits Report

CUNA Economics and Statistics

Oregon Credit Union Performance Profile

Demographic Information	Dec 20	Dec 19
Number of branches	310	303
Total assets (\$ mil)	31,560	25,074
Total loans (\$ mil)	18,906	18,236
Total surplus funds (\$ mil)	11,644	5,916
Total savings (\$ mil)	27,577	21,345
Total members (thousands)	2,016	1,934
Growth Rates (Trailing 12 months) *		
Total assets	26.6 %	8.4 %
Total loans	4.3 %	5.1 %
Total surplus funds	98.3 %	20.5 %
Total savings	30.0 %	6.9 %
Total members	5.0 %	3.2 %
Earnings - Basis Pts. *		
Yield on total assets	329	394
Dividend / interest cost of assets	41	49
Fee & other income	163	146
Operating expense	308	339
Loss Provisions	36	23
Net Income (ROA) after stabilization exp	106	130
Capital Adequacy		
Net worth / assets	9.9	11.3
Asset Quality *		
Delinquencies / loans	0.3	0.4
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	40	50
Bankruptcies per 1000 members	1.1	1.5
Asset/Liability Management		
Loans / savings	68.6	85.4
Loans / assets	59.9	72.7
Long-term assets / assets	31.8	35.4
Core deposits/shares & borrowings	58.1	52.7
Productivity		
Members / potential members	2.6	2.6
Borrowers / members	57.4	60.6
Members / FTE	369	367
Average shares / members (\$)	13,681	11,038
Average loan balances (\$)	16,338	15,559
Salary & Benefits / FTE	89,534	83,945

* Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months.



Analyze your credit union's performance and service to members with CUNA's research resources:

Operating Ratios & Spreads

Prompt Corrective Action
(PCA) Checkup

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